

## OVERVIEW OF BUDGET

DEPARTMENT: PRESCHOOL SERVICES  
ADMINISTRATOR: ROBERTA YORK  
BUDGET UNIT: RSC HPS

### I. GENERAL PROGRAM STATEMENT

Preschool Services Department (PSD) has operated the Federal Head Start program and other childcare programs in San Bernardino County since 1965 providing comprehensive child development and family services to children, ages 3 to 5 years, of low income and disadvantaged families. As the primary program (80% of all funding), Head Start incorporates educational, health, nutritional, and psychological services in order to help children become ready to enter and succeed in school and life in general. Site expansion and currently operating sites will provide childcare services at 45 sites throughout the county. Other programs operated by this department include the State Preschool, the General Child Care and the Child and Adult Care Food Programs.

### II. BUDGET & WORKLOAD HISTORY

	Actual 2001-02	Budget 2002-03	Estimated 2002-03	Department Request 2003-04
Total Appropriation	32,631,728	36,768,311	36,720,349	37,534,164
Total Revenue	30,853,852	36,850,315	36,802,353	37,534,164
Fund Balance		(82,004)		-
Budgeted Staffing		653.7		577.1
<b><u>Workload Indicators</u></b>				
Average daily # of classes	283	315	269	282
Average daily # of children	4,352	5,122	4,303	4,490

PSD applied for and received authorization from the Federal Administration of Children and Families (ACF) to reauthorize \$1.66 million in expansion funds from 2001-02 to 2002-03. The Board of Supervisors approved the one-time rollover on August 13, 2002 (Item no. 35) to fund start-up costs such as facilities renovations, playground equipment, copiers, classroom equipment, classroom supplies and to provide salaries and benefits for expansion staff. The expansion sites include Adelanto, Apple Valley, Crestline, Joshua Tree, Upland and Victorville.

Workload estimates (avg. daily # of classes and children) for 2002-03 are under budget by 46 classes and 819 children due to various factors. There was a construction delay in opening several expansion sites and/or classrooms. Sites/classrooms licensed since February include: Adelanto, Apple Valley, Sivaland and Victorville. Crestline and Rialto Eucalyptus sites are expected to open in May 2003. Additionally, the workload indicator for average daily # of children for the 2002-03 budget was overstated because 68 children enrolled in Sivaland's wrap-around program (a federal and state slot combined) were included twice.

### III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

#### **STAFFING CHANGES**

Budgeted staffing has a net decrease of 76.6 positions. There was a zero net change in site supervisors, teachers and teacher aides (9 and 12 months), who were qualified and upgraded to level II positions based on a mid year Board item (July 23, 2002, #32) that approved six new classifications to compensate for the higher levels of education mandated by Head Start.

## **PRESCHOOL SERVICES**

Other changes to teaching staff resulted in a net reduction of 51.9 budgeted staffing. A net increase of 14.7 budgeted positions was due to site expansion (1.5 Site Supervisor II–12 months, 3.5 Teacher II–12 months and 9.7 Teacher Aide II–12 months). A net decrease of 38.8 budgeted positions was due to deleting vacant positions that are no longer needed (7.4 Site Supervisor–9 months, 23.3 Teacher-9 months and 8.1 Teacher Aide-9 months), and a net decrease of 41.4 budgeted positions (Teachers-9 months) was due to a work hours reduction for part-day Teachers from 8 to 6 hours per day. The vacancy factor of 13.6 was eliminated.

Changes to supporting staffing resulted in a net reduction of 24.7 budgeted staffing. A net increase of 6.2 budgeted positions was due to workload increase (1.5 Accounting Technician, 1.5 Food Service Worker-12 months, 1.0 Fiscal Clerk I, 1.0 Program Supervisor, 0.1 Program Aide-9 months, 0.1 Nurse, and 1.0 Eligibility Worker II). A net decrease of 30.9 budgeted positions was due to deleting vacant positions that are no longer needed (0.5 Eligibility Worker II, 7.5 Public Service Employee, 8.6 Custodian-9 months, 5.1 Food Service Worker-9 months, 3.5 Center Clerk-9 months, 2.0 Clerk III, 2.0 General Maintenance Worker, 1.0 Generalist-9 months, 0.1 Staff Analyst II, and 0.6 Custodian-12 months).

### **PROGRAM CHANGES**

The average daily number of classes and number of children served are expected to decrease in 2003-04 by 33 classes comprised of 564 children due to PSDs' plan to implement new full-day program options.

PSD is committed to providing new full-day program options by combining Head Start and State Preschool funded slots based on the recommendations of the Head Start - State Collaboration Office (California Department of Education, Child Development Division) and in response to the changing needs of families. More low income and disadvantage families with young children now work or train full-time due to welfare reform and are therefore in need of full-time childcare services.

PSD's collaborative plan is twofold: (1) PSD will absorb 317 State Preschool slots into the existing Full Day Head Start Program, and (2) PSD will combine two part day slots – 3.5 hours each, comprised of 247 Head Start and State Preschool slots each. In both cases, children will be co-enrolled in Head Start and State Preschool programs. PSD operates a similar program at its Sivaland location where full-day service is provided to 72 co-enrolled children. In addition to the programs mentioned above, PSD will continue to provide part-day services to 3,802 children (including Delegate Agencies) and full-day services to 52 General Child Care children at the Mill Street site.

The overall impact on recommended program funded adjustments will be a net decrease of \$ 193,369. This decrease is the result of cost savings due to the new program options (blending of federal and state slots). The new program options will result in a reduction through attrition of 15.1 budgeted teaching positions. In addition to salary savings, Preschool Services expects cost savings in transportation, food, classroom supplies and facilities (one or two sites) proportionate to the stated decrease in workload. A cost savings is also anticipated in the reduction of working hours for part-day teaching staff (from 8 to 6 hours per day) for children who attend class for 3.5 hours per day. The combined cost savings will be offset primarily by cost increases in MOU salary and benefits, unemployment insurance, workers compensation, and lease payments (CPI).

### **OTHER CHANGES**

None.

## **IV. VACANT POSITION IMPACT**

The department has a total of 15.0 vacant budgeted positions in their 2003-04 Department Request Budget. The breakdown of these positions is as follows:

Vacant Budgeted Not In Recruitment	1.3	Slated for Deletion
Vacant Budgeted in Recruitment	<u>13.7</u>	Retain
Total Vacant	15.0	

## **PRESCHOOL SERVICES**

### **Vacant Position Restoration Request:**

The department is not requesting restoration of any vacant budgeted positions that are slated for deletion.

### **V. OTHER POLICY ITEMS**

None.

### **VI. FEE CHANGES**

None.

GROUP: Human Services System  
DEPARTMENT: Preschool Services  
FUND: Special Revenue RSC HPS

FUNCTION: Public Assistance  
ACTIVITY: Child Development

## ANALYSIS OF 2003-04 BUDGET

	A	B	C	D	B+C+D E Board Approved Base Budget
	2002-03 Year-End Estimates	2002-03 Final Budget	Base Year Adjustments	Mid-Year Adjustments	
<b><u>Appropriation</u></b>					
Salaries and Benefits	23,166,048	23,575,234	908,847	50,375	24,534,456
Services and Supplies	3,918,511	3,867,523	-	-	3,867,523
Central Computer	93,737	90,657	-	-	90,657
Other Charges	6,874,284	7,305,389	-	-	7,305,389
Equipment	491,243	-	-	-	-
Transfers	<u>2,176,526</u>	<u>1,929,508</u>	<u>-</u>	<u>-</u>	<u>1,929,508</u>
Total Appropriation	36,720,349	36,768,311	908,847	50,375	37,727,533
<b><u>Revenue</u></b>					
Use of Money & Prop	-	-	-	-	-
State, Fed or Gov't Aid	36,802,353	36,850,315	908,847	50,375	37,809,537
Other Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	36,802,353	36,850,315	908,847	50,375	37,809,537
Local Cost		(82,004)	-	-	(82,004)
Budgeted Staffing		653.7			653.7

GROUP: Human Services System  
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## ANALYSIS OF 2003-04 BUDGET

	E	F	E+F G	H	G+H I	J	I+J K
	Board Approved Base Budget	Recommended Program Funded Adjustments	2003-04 Department Request	Vacant Position Impact	2003-04 Proposed Budget (Adjusted)	Recommended Vacant Restoration	2003-04 Recommended Budget
<b>Appropriation</b>							
Salaries and Benefits	24,534,456	(583,504)	23,950,952	(47,162)	<b>23,903,790</b>	-	23,903,790
Services and Supplies	3,867,523	282,834	4,150,357	-	<b>4,150,357</b>	-	4,150,357
Central Computer	90,657	(4,877)	85,780	-	<b>85,780</b>	-	85,780
Other Charges	7,305,389	(334,438)	6,970,951	-	<b>6,970,951</b>	-	6,970,951
Equipment	-	-	-	-	-	-	-
Transfers	<u>1,929,508</u>	<u>446,616</u>	<u>2,376,124</u>	-	<u><b>2,376,124</b></u>	-	<u>2,376,124</u>
Total Appropriation	37,727,533	(193,369)	37,534,164	(47,162)	<b>37,487,002</b>	-	37,487,002
<b>Revenue</b>							
Use of Money & Prop	-	-	-	-	-	-	-
State, Fed or Gov't Aid	37,809,537	(275,373)	37,534,164	(47,162)	<b>37,487,002</b>	-	37,487,002
Other Revenue	-	-	-	-	<u>-</u>	-	-
Total Revenue	37,809,537	(275,373)	37,534,164	-	<b>37,487,002</b>	-	37,487,002
Fund Balance	(82,004)	82,004	-	(47,162)	-	-	-
Budgeted Staffing	653.7	(76.6)	577.1	(1.3)	<b>575.8</b>		575.8

## PRESCHOOL SERVICES

### Base Year Adjustments

Salaries and Benefits	603,399	MOU.
	292,558	Retirement.
	12,890	Risk Management Workers Comp (classified employees only).
	<u>908,847</u>	
Total Appropriation	<u>908,847</u>	
Total Revenue	<u>908,847</u>	Federal and state aid.
Fund Balance	<u>-</u>	

### Mid-Year Adjustments

Salaries and Benefits	<u>50,375</u>	Increase in California State Department of Education, Child Development Division,
Total Appropriation	<u>50,375</u>	contracts for 2002-03. Approved by the Board on April 8, 2003, Item no. 25).
Total Revenue	<u>50,375</u>	These funds will be ongoing beginning July 1, 2002.
Fund Balance	<u>-</u>	

### Recommended Program Funded Adjustments

Salaries and Benefits	<u>(583,504)</u>	Net decrease of \$583,504 is due primarily to staff reduction (76.6 budgeted positions) due to the new program options and the reduction of working hours for 9-month part-day teachers from 8 to 6 hours per day. Together, reductions will result in a savings of \$2,347,754 offset by increases in worker's comp for contract employees in the amount of \$662,289, and in MOU step raises and Level I / Level II step for the Site Supervisors, Teachers, and Teacher's Aides in the amount of 1,101,961.
Services and Supplies	<u>(67,115)</u>	Decrease in utilities due to the new program options resulting in the closure of one or two sites.
	<u>(121,621)</u>	GASB 34 Accounting Change (EHAP).
	<u>(80,000)</u>	Decrease in office expense - Outside vendors due to reduced spending because of the new program options.
	<u>528,954</u>	Increase in COWCAP costs primarily due to a rise in unemployment claims for 9-month employees.
	<u>99,000</u>	Increase in subscriptions for new Genesis System Support.
	<u>(76,384)</u>	Net decrease due to anticipated reduction of inventoriable equipment and other misc expenses.
	<u>282,834</u>	
Central Computer	<u>(4,877)</u>	Decrease anticipated in central computer charges.
Other Charges	<u>(334,438)</u>	Net decrease in other charges due to the anticipated reduction of the transportation and food services costs related to the new program options.
Transfers	<u>446,616</u>	Increases in transfers due primarily to Real Estate lease payment increase for \$219, 459. Also, increases in charges from HSS, ITSD, and HR staff in the amount of \$105,536. GASB 34 Accounting Change (EHAP) \$121,621.
Total Appropriation	<u>(193,369)</u>	
Revenue		
State, Fed or Gov't Aid	<u>(275,373)</u>	Net decrease of federal and state aid is due primarily to an overestimation of the federal COLA/quality increase for 2002-03.
Total Revenue	<u>(275,373)</u>	
Fund Balance	<u>82,004</u>	

# PRESCHOOL SERVICES

## Vacant Position Impact Summary

	<u>Authorized</u>	<u>Budgeted Staffing</u>	<u>Salary and Benefit Amount</u>	<u>Revenue</u>	<u>Local Cost</u>
Vacant Budgeted Not In Recruitment - Delete	2.0	1.3	47,162	47,162	-
Vacant Budgeted in Recruitment - Retain	<u>25.0</u>	<u>13.7</u>	<u>432,793</u>	<u>432,793</u>	<u>-</u>
Total Vacant	27.0	15.0	479,955	479,955	-
Recommended Restoration of Vacant Deleted	-	-	-	-	-

## Vacant Position Impact Detail

	<u>Position Number</u>	<u>Budgeted Staffing</u>	<u>Salary and Benefit Amount</u>	<u>Revenue</u>	<u>Local Cost</u>
<i>Note: If position is seasonal indicate next to Classification (Seasonal - May through August)</i>					
Vacant Budgeted Not In Recruitment					
Public Service Employee	71126	(.5)	(10,430)	(10,430)	-
Cont Preschool Site Spvr 9 mos	72057	<u>(.8)</u>	<u>(36,732)</u>	<u>(36,732)</u>	<u>-</u>
Subtotal Recommended - <b>Delete</b>		(1.3)	(47,162)	(47,162)	-
Subtotal Recommended - <b>Retain</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Slated for Deletion		(1.3)	(47,162)	(47,162)	-

Vacant Budgeted in Recruitment - <b>Retain</b>					
Cont PSD Food Svc Worker 12 mos	77595	1.0	21,671	21,671	-
Cont PSD Center Clerk 12 mos	76466	1.0	25,718	25,718	-
Cont PSD Custodian 12 mos	71434	1.0	24,108	24,108	-
Cont PSD Custodian 12 mos	76471	0.4	11,754	11,754	-
Cont Preschool Teacher Aide 12 m	76458	1.0	26,859	26,859	-
Cont Preschool Teacher Aide 12 m	76459	0.6	16,156	16,156	-
Cont Preschool Teacher 12 mos	76451	0.5	15,751	15,751	-
Cont PSD Center Clerk 9 months	77076	0.8	20,493	20,493	-
Cont PSD Prog Generalist 9mos	71573	0.8	30,092	30,092	-
Cont PSD Prog Generalist 9mos	71753	0.8	35,922	35,922	-
Cont Preschool Teacher 9 month	71203	0.2	8,830	8,830	-
Cont Preschool Teacher 9 month	71279	0.2	8,830	8,830	-
Cont Preschool Teacher 9 month	71453	0.6	21,255	21,255	-
Cont Preschool Teacher 9 month	72363	0.2	8,830	8,830	-
Cont Preschool Teacher 9 month	77109	0.2	7,925	7,925	-
Cont PSD Custodian 9 months	71247	0.3	8,744	8,744	-
Cont PSD Custodian 9 months	71295	0.4	11,171	11,171	-
Cont PSD Custodian 9 months	71333	0.3	8,744	8,744	-
Cont PSD Custodian 9 months	71359	0.6	16,456	16,456	-
Cont PSD Custodian 9 months	72041	0.6	16,628	16,628	-
Cont PSD Custodian 9 months	72225	0.4	11,171	11,171	-
Cont Preschool Site Spvr 9 mos	71355	0.8	29,439	29,439	-
Cont Preschool Teacher Aide 9mos	71380	0.8	21,020	21,020	-
Cont Preschool Teacher Aide 9mos	77089	0.1	5,704	5,704	-
Cont Preschool Teacher II 9 mo	77720	<u>0.5</u>	<u>19,522</u>	<u>19,522</u>	<u>-</u>
Total in Recruitment Retain		13.7	432,793	432,793	-

NOTE: If applicable, the vacant position will be bolded if included in the 30% Cost Reduction Plan not yet implemented.  
If applicable, the seasonal vacant position that is currently not filled will indicate which months they are needed.